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State Dept. review completed.

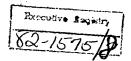


## **DEPARTMENT OF STATE**

Washington, D.C. 20520

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June 24, 1982

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Senior Interagency Group No. 8

- Mrs. Nancy Bearg Dyke TO OVP NSC - Mr. Michael O. Wheeler CIA - Mrs. Helen Robbins Commerce - COL John Stanford Defense - Mr. William Vitale Energy - Mr. Arthur Russell Interior - MAJ Dennis Stanley JCS - Mr. F. Henry Habicht Justice - Mr. Robert Searby Labor - Dr. Francis Johnson NSF - Mr. William Schneider OMB Transportation - Mrs. Katherine Anderson - Mr. David Pickford Treasury UNA - Amb. Harvey Feldman

SUBJECT: SIG Report on Law of the Sea: Agency Recommendations

Attached for final interagency review and clearance is the revised report to the President on LOS with agency positions as verified in the June 24 SIG meeting. Addressees are requested to telephone their clearance of this paper to Mr. Tain Tompkins at 632-5804 by 2:00 p.m. Friday, June 25. It is the SIG's intention to convey the final paper to the White House by COB June 25. Your prompt action will be appreciated.

State Dept. review completed.

L. Paul Bremer, III Executive Secretary

Attachment:
As stated.

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June 24, 1982

Interagency Report on The Law of the Sea: Agency Recommendations

The SIG met on this date and reports the following agency views and recommendations on the issues presented in its report on the Law of the Sea of June 15. CIA has made no recommendation on the issues, but believes that the report, from an intelligence perspective, adequately describes the options facing the U.S. in the aftermath of the LOS negotiations. All interested agencies agree the U.S. should greatly strengthen efforts at the highest levels to persuade key allies to remain outside the LOS Convention and to participate with us in alternative seabed mining arrangements.

Issue 1: Should the United States decide to sign the LOS Convention as adopted by the Conference?

All interested agencies recommend against signing the LOS Convention as it fails to meet all of the objectives set by the President.

Issue 2: Should a decision on signing be made now or be
deferred?

All interested agencies except Transportation recommend that the decision be taken as soon as possible and that it be publicly announced in advance of the LOS drafting session (July 12) and after appropriate consultation with our allies. Transportation recommends that the decision be deferred until we know better whether such action will drive our allies closer to the LOS Convention.

Issue 3: Should the U.S. discontinue all further participation in the Law of the Sea Conference process or take part in the Drafting Committee and informal plenary and the Caracas Session?

Interior, Justice, Labor and OMB oppose any further U.S. participation in the LOS Conference process. They believe that any benefits achievable are outweighed by the costs inherent in such participation; the Conference process has done little to respond to U.S. concerns in the seabed mining part of the

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Convention; we should not lend credibility to the process by continued participation; and any participation will be seen by some as a weakening of U.S. resolve not to accept the LOS Convention.

Defense, Treasury, Commerce and State, assuming a prior Presidential statement that the U.S. will not sign the Convention adopted by the Conference, favor continued participation in the process. They believe that participation in the Drafting Committee and the closing session in December is an effective means of (1) ensuring that no "technical" drafting changes adverse to U.S. navigation and overflight, fisheries, and other non-seabed mining interests are included in the final text; (2) countering adverse interpretive statements that may be made at the closing session; and (3) they believe that the Presidential statement will counteract misinterpretation of U.S. participation. This participation would be at the expert technical level.

Transportation and USUN believe we should participate in the process whether or not there is a Presidential statement.

Issue 4: Should the U.S. sign the Final Act at Caracas and participate in the Preparatory Commission?

DOD, Interior, Energy, Justice, Labor, and OMB recommend against signing the Final Act and participating in the Preparatory Commission. They believe that little if any advantage is to be gained by such action and that it could be misinterpreted by some as a weakening of U.S. resolve not to accept the LOS Convention.

Treasury, Commerce, Transportation, State and USUN recommend that this decision be deferred until a time closer to the event.

Issue 5: Should the United States encourage efforts to
amend the text of the LOS Convention?

Treasury, Interior, Energy, OMB, Justice and Labor oppose U.S. steps to encourage efforts to amend the text. They believe that such efforts will fall short of U.S. objectives, could be misread by some as a U.S. willingness to sign a slightly altered Convention now or in the future, and could detract from our efforts to get an alternative seabed mining arrangement.

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Defense recommends that the U.S. take a neutral position, neither encouraging or discouraging such initiatives.

Commerce believes the U.S. should, under certain circumstances, encourage efforts to amend the text in a manner that would not compromise U.S. objectives. It may be that there is "no chance of achieving U.S. objectives", but we should be prepared to exploit the possibility, however slim, that the Convention could be changed to accommodate our interests in fostering the development of deep seabed resources by US-flag consortia. By all current indications, Commerce believes, the U.S. now stands in the worst conceivable position with respect to its previously identified interests in the deep seabeds: the Convention as adopted does not meet our objectives; and a viable alternative regime acceptable to U.S. mining interests appears unachievable.

Given the current disinclination of other potential seabed mining states to join in an RSA, as well as their assertion that U.S. seabed interests can still be met in the treaty, State, Transportation and USUN believe that we need better knowledge of the facts in order to determine what approach will secure maximum support for U.S. seabed objectives before deciding this issue.

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